The Bill Pay Economy™ · 2026

Late Payments Cost Households $983 Each Year

The average U.S. household pays $1,202 a year in hidden bill pay costs on top of the amounts due, or $155.3 billion nationally. Of that, $983 traces to late payments: biller late fees and the higher interest that follows a credit score hit. Markets don't set these costs, but higher rates and bigger bills raise the price of every missed payment.

$1,202
Hidden costs per household a year ($155.3B nationally)

$983
Tied to late payments ($127.0B), 82% of the total

35%
Of households paid at least one late fee last year

Where the $1,202 comes from



Hidden cost of bills	Total cost	Per household	Share of $1,202
Credit impacts	$94.8B	**$733**	61%
Biller late fees	$32.2B	**$249**	21%
Fraud and identity theft	$15.9B	**$123**	10%
Overdraft fees	$12.4B	**$96**	8%
Total	**$155.3B**	**$1,202**	100%

Late Fees Alone Account for $32.2B annually, $249 per household

Bill type	Avg. fee	% paid late	Total fees	Household cost
Credit card	$32	6%	$17.0B	**$132**
Rent	$85	6%	$7.9B	**$61**
Mortgage	$88	2%	$2.7B	**$21**
Auto loan	$35	3%	$1.6B	**$12**
Utilities	$18	5%	$1.4B	**$11**
Mobile phone	$10	5%	$775M	**$6**
Cable and internet	$10	5%	$775M	**$6**
Total			**$32.2B**	**$249**

Credit cards and rent make up 77% of all late fees.

A damaged credit score costs $733 a year in extra interest

One payment 30 days late can cut a strong credit score by up to 83 points, and one 90 days late by more than 100 (FICO). At today's rates, a 100-point gap between the average score of 714 and an 814 costs the average household $733 a year, and $1,528 for one carrying a mortgage, car loan, and credit card.

Loan type	Households (%) with balance	Avg. balance	APR at 714	APR at 814	Household cost
Mortgage	40%	$258,214	7.75%	7.46%	**$302**
Auto loan	62%	$32,579	7.82%	6.37%	**$294**
Credit card	46%	$6,659	26.89%	22.39%	**$138**
Total					**$733**

Prepared households pay less

Every hidden cost has a habit that heads it off.

Know every due date — $249 late fees

Seeing every bill and due date in one place keeps payments from slipping.

Protect your score — $733 credit impact

On-time payments keep late marks off a credit report and borrowing costs down.

Match payments to payday — $96 overdraft

Timing payments to when money arrives avoids overdraft and NSF fees.

Pay through verified channels — $123 fraud

Paying confirmed billers through secure checkout limits exposure to scams.

How doxo helps

Stay ahead of every bill, and the fees behind it

doxo brings a household's bills into one place, so due dates and payments are organized before they turn into fees. Users pay 120,000+ billers through one secure checkout, with due date reminders, scheduled and recurring payments, and autopay to keep every payment on time.

10M+ paying consumers

120K+ billers on the network

45 bill categories

97% of U.S. zip codes

Get organized at doxo.com

Methodology and sources: see appendix.

Methodology

The doxoINSIGHTS Hidden Cost of Bill Pay Report 2026 combines doxo's aggregate bill pay data, drawn from more than 10 million paying consumers and 120,000 billers, with the doxo Consumer Bill Pay Survey (November 2026) and public government and industry data. Household figures divide national totals by 129.2 million U.S. households (Census Bureau). Late-payment costs are biller late fees plus credit impacts.

Credit impacts compare average rates at FICO Scores of 714 (the national average) and 814 for mortgages (Curinos, via Experian), auto loans (myFICO Loan Savings Calculator, 60-month new auto rates applied to all auto balances), and credit cards (CFPB), applied to average balances and weighted by the share of households holding each. All three use FICO Scores. Late fees combine average bill amounts, typical fee structures, and the share of households paying each bill late in a month, applied across all U.S. households; credit card late fees use the CFPB's market total. Fraud reflects FTC-reported consumer losses for 2025; overdraft reflects NCLC's 2025 estimate of overdraft and NSF fees paid.

Sources

doxo: doxoINSIGHTS, Consumer Bill Pay Survey (Nov. 2026); doxo aggregate bill pay data.

FICO: "Average FICO Score Holds Steady at 714" (Aug. 2026); "Average FICO Score Dips to 714" (Mar. 2026); myFICO, "How Credit Actions Impact FICO Scores" (FICO Score 9 simulation); myFICO Loan Savings Calculator, auto loan rates by FICO Score (Feb. 2026).

Ask Experian: DeNicola, mortgage rates by credit score (Oct. 2026, Curinos data); Brozic, average car payment (Sept. 2026); Horymski, state of credit cards (2026); Sato, one 30-day late payment (July 2025).

Bankrate: average mortgage debt (Mar. 2026); 2026 Credit Card Debt Report (Jan. 2026).

Federal Reserve: Consumer Credit G.19 (Aug. 2026); Changes in U.S. Family Finances from 2022 to 2025 (Oct. 2026); Economic Well-Being of U.S. Households in 2025 (May 2026).

Other credit: Cox Automotive, December 2025 U.S. Auto Sales Forecast (Jan. 2026).

CFPB: The Consumer Credit Card Market (Dec. 2025); "CFPB Report Finds Continued Challenges for Households that Rent" (Jan. 2025).

Mortgage: Freddie Mac Seller/Servicer Guide sec. 4701.4; LendingTree, late mortgage payments (May 2025); MBA National Delinquency Survey (Q2 2026).

Auto: Navy Federal Credit Union, missed car payments (Feb. 2024); LegalClarity, car payment late fees (Mar. 2026).

Utilities: 16 Tex. Admin. Code § 25.480; 52 Pa. Code § 56.22.

Phone, cable, and internet: BGR, T-Mobile late fee (Oct. 2025); AT&T, Verizon, and Spectrum fee pages; CableTV.com (Sept. 2026).

Fraud and overdraft: FTC testimony before the Joint Economic Committee (Mar. 2026); NCLC, "Overdraft Fees Rising in Absence of CFPB Rule" (June 2026); Financial Health Network, overdraft and NSF fees (June 2024).

Households: U.S. Census Bureau, QuickFacts, households 2020–2024.

About doxoINSIGHTS

doxoINSIGHTS provides direct insight into The Bill Pay Economy™ using consumer surveys and doxo's aggregate bill pay data set: actual payments to confirmed household service providers from more than 10 million paying consumers across 97% of U.S. zip codes.